

Budget Address to Louisville Metro Council, May 27, 2004:

"Limited Resources Don't Mean Limited Vision"

by Mayor Jerry E. Abramson

Someone once told me: If you want to read the story of your life, just take a look at your checkbook.

It tells the story of your day-in day-out spending priorities – from groceries to car payments from phone bills to shopping sprees.

And it reflects the down payments you make for your dreams – investments in a child's college fund savings to remodel the basement or to pay for retirement.

The same could be said of a city's life and its budget.

Our budget for the past year and my proposed budget for the coming year tell the story of our new city of Louisville's priorities – our current, crucial day-to-day needs as we serve our community's 700,000 residents and the investments we need to make now for our future.

Our budget story for the coming year is about:

- Financial responsibility efficiency fresh thinking about how government does its job
- A commitment to our top priority: public safety and health
- and to enhancing quality of life throughout our new city from our downtown to our urban and suburban neighborhoods.

- Our budget tackles long-deferred maintenance of public buildings, parks, roads, sidewalks and other community resources
- And it emphasizes the importance of investing today in initiatives that will reap benefits down the road from new jobs to cleaner air.

Today, we all can be proud every one of you on the Metro Council every one of our employees that we have built a strong foundation over the past 17 months and have created a new government that's more efficient, effective, responsive and accountable.

- We promised no tax increases and no cuts in services as a result of merging the old city and county governments.

We kept that promise in our first city budget at a time when revenue barely increased over the year before.

And we will keep that promise again in the coming year in the face of modest projected revenue growth.

- We began “right-sizing” government last year streamlining departments and reducing staff to deliver the efficiencies we promised would result from merger. We cut 700 positions, including 140 filled jobs.

This year, we'll “right-size” again: We've trimmed 90 more funded positions from city departments; all but 15 are vacant. At the same time, we're adding 43 jobs – most of them in the Police Department. Our goal is to get the right people in the right spots and make sure they have the right tools to do their jobs well.

- We've combined government functions and made strides working together in fresh ways over the last year from a multi-department assault on mosquitoes and West Nile virus to giving heart defibrillators which had gone unused in police cars to suburban fire districts – a decision that's helped them save 3 lives.

With this new budget, we'll continue to reorganize operations for greater efficiency from parking enforcement to neighborhood outreach from arson investigation to a new one-stop shop for permits-and-planning approval.

And we will continue to find new efficiencies in city office space in fleet management in purchasing and in selling surplus items.

When we sold a couple of used Harley Davidsons for more than the Police paid for them 3 years ago as we did recently on a government-surplus website we knew we'd found a new way to increase revenue.

When we saved 25 percent on a piece of computer hardware through a "reverse auction" as we did not long ago we knew we'd found a terrific new tool for purchasing all kinds of items.

I share those examples because they underscore my commitment to making every dollar count.

We need to make every dollar count.

If you view our city's financial story for 2004-05 like your family finances your checkbook here's how our budget challenges look:

Your income is expected to rise by 3 percent. But mandated expenses – your mortgage, your car loan, health insurance, for example – are growing by roughly 5 percent.

Former U.S. Senator Phil Gramm once said, “Balancing the budget is like going to heaven.

“Everyone wants to do it...” Gramm said ... “But no one wants to do what you have to do to get there.”

We WILL do what we need to do together to get there.

The budget I present today will focus on our community’s spending priorities and build on the strong foundation we’ve laid over the past year and a half.

This budget will take advantage of our city’s strong bond ratings to create what we are calling a Foundation for Our Future Fund a \$25 million capital program to be allocated over the next 3 years. It will be invested in crucial maintenance and improvements to existing parks, playgrounds, pools, sidewalks, roads, firehouses and other city buildings addressing needs that have long been deferred denied delayed.

Not glamorous stuff, but the Foundation for the Future Fund represents a strategic investment plan for our city’s bricks-and-mortar and more.

Our Public Works Department has a list of more than \$600,000 in sidewalks that need repair right now from Wilson Avenue to Shepherdsville Road, from Buechel Bank Road to right across the street at the Hall of Justice. The Foundation Fund will let us fix cracked basketball courts where children play like those at Clifton Park. It will let us fix crumbling limestone curbs along Dixie

Highway and it will let us add a few feet to widen substandard suburban roads without shoulders so narrow that a school bus and a truck can't pass each other safely. We'll be looking at maintenance needs for all our public buildings, including Louisville's firehouses. We are assessing the current health-and-safety of city firehouses – and will be looking at whether those 19th and 20th century buildings best serve our citizens in the 21st century.

We will assemble a list of projects to be financed by this Foundation Fund bond issue and present it to you in the next 60 days.

In our capital budget for the year ahead, we will invest in new projects – from new computer and jail-security systems to firefighting gear and street signs.

In addition, my budget provides \$75,000 for each of you on the Metro Council to invest in capital projects in your districts a total of \$1.9 million.

Just as we are taking care of the city's physical resources, I am committed to fair and responsible treatment of our human resources: our city employees. They've worked hard and coped with enormous change over the past year.

Many of our union employees have seen their pay rise by as much as 5 to 6 percent annually as a result of labor agreements the former city and county governments adopted as they left office in years where revenue growth and inflation hovered around 1 percent.

But our non-union workers – one-third of our workforce – have received no raises over the past year and a half. The budget I propose today rewards their hard work with a 2 percent salary increase modest recognition of their outstanding efforts making the new Louisville work.

.... With one exception: my cabinet members and I will not accept a raise for 2004-05.

I said our budget would tell the story of our city's priorities. I'd like to highlight some of its key goals.

This budget continues to make public safety our Number 1 priority.

- This budget includes \$4 million to purchase the former U.S. Federal Reserve Building as homebase for MetroSafe – our new emergency communications and operations center. Buying this financial fortress will save money and speed our timetable for making MetroSafe a reality by 2006.
- Our Police Department will get more dollars and more people this year. In fact, no city operation will receive a bigger budget increase or see a larger increase in staff: They'll get an additional \$4.7 million and add 29 positions.

This budget will allow Chief White to continue to move police officers out of offices and into our neighborhoods. With this budget and the chief's leadership, we now have 82 more police officers on the street than we did when our new government was formed in January 2003 82 more officers making neighborhoods safer – and we all can be proud of that commitment.

The Chief likes to say, "If you don't need a badge and you don't need a gun, you don't need a police officer."

I agree This budget adds 26 civilians ((in addition to 3 more officers)). They will record daily crime information so that each shift has up-to-date reports on incidents and trends. They will take non-emergency crime reports on the telephone and arrange appointments when visits are needed. They will analyze data. And they will work in the property room.

- In addition, our police on the streets will be armed with a new weapon: This budget purchases Tasers guns that use non-lethal electric shocks to subdue suspects more safely.
- And my budget funds two new police recruit classes, totaling 60 officers, in the year ahead as well as new classes for the Louisville Department of Fire & Rescue and Louisville Metro Corrections.

As we look at our community today and dream of what the city of Louisville can become another top priority is to tackle our most serious public-health issues.

- Louisville's air quality problems are the result of geography – our river valley – and prosperity – our industry and automobiles. Improving our air must be one of our public health priorities.
- Earlier this week, I announced a new initiative to sharply reduce cancer-causing chemicals in our air. With additional air monitoring to pinpoint sources of toxic chemicals and with added staff and analysis, our Air Pollution Control District will work cooperatively and aggressively with industry and business to help them find ways to reduce emissions.

Other public health challenges are the result in part of personal choices: I along with our new health director, Dr. Troutman look forward to the day when Louisville doesn't rank near the top of national lists for rates of obesity and high blood pressure heart disease and diabetes strokes and certain cancers.

- We will lead a community-wide education campaign this year aimed at helping our citizens make healthier choices about nutrition and fitness smoking and preventive care and we will be working in partnership with dozens of local organizations.
- We'll also look for ways to encourage physical activity through our parks, walking paths and bike trails. For example, my budget includes funding to expand the Ohio River Levee Trail which will eventually run 27 miles, from the Farnsley Moreman house in the Southwest along RiverWalk all the way to Cox's Park in the east.

This budget also sets as a priority enhancing the quality of neighborhood life throughout our new city

- from targeted programs to make the Clarksdale Portland and Newburg neighborhoods better places to live to a new code enforcement system that will bring swifter action against neighborhood eyesores like weed-covered lots and junked cars
- from loan programs that encourage stores and services in our neighborhoods to projects that involve citizens in studying their neighborhood's needs and planning its future.

Last year you joined me in investing \$2 million toward home construction and renovation in the Newburg neighborhood. This year I am proposing to invest \$1 million more to turn more renters into homeowners. We'll also locate headquarters for a new Police Patrol Division in Newburg.

The budget I propose today launches a similar targeted housing revitalization project in the Portland neighborhood relying largely on federal funds.

We'll be investing \$2.4 million in infrastructure for redevelopment of Clarksdale: Decades-old public housing is slated to be torn down and replaced with a mixed-income neighborhood of homes and apartments. The ripples of Clarksdale's revitalization will be felt throughout nearby neighborhoods like Smoketown, Shelby Park and Phoenix Hill.

And my budget also reflects a commitment to supporting downtown – that neighborhood where all Louisville comes together.

The great news is: The downtown we've dreamed about is rising all around us the result of 15 years of public-private teamwork from Fourth Street Live to the Frazier Historical Arms Museum from downtown housing to our new Marriott Hotel.

We will continue to play an important supporting role downtown from making street improvements around the new Ali Center at Sixth and Main to design work for extending River Road further west to providing funds for Waterfront Park's Big Four Bridge another pedestrian and bike project!

With this budget, we also continue to focus on more good jobs for Louisville.

With the help of our partners at the state and local level, I'm committed to supporting our existing businesses from manufacturers to high-tech companies from helping young companies grow to courting new prospects.

And we are making progress:

- Several months ago, Citigroup announced that they would not only retain the 500 workers at their Louisville call center they would expand and hire 1600 more.
- We can tote up new warehouses and distribution centers attracted by our UPS air hub and we can celebrate the birth of new life-sciences businesses in our medical center.
- This budget continues funding for the second year of my High Impact initiative a program that has identified our fastest-growing local companies and begun working with 44 of them connecting them with crucial resources from tax incentives to recruiting help.
- This budget also increases our support for Louisville's life-science business incubator MetaCyte which helps local research make the leap from the lab to the marketplace. In this exciting, lucrative field, this is an investment in ideas that can grow into multi-million-dollar businesses that create jobs for Louisville residents.

As these economic development efforts succeed, they pay dividends for our entire community new opportunities for residents better jobs for our children and a stronger economic base for local government.

But we can't compete for top companies top jobs without a top-notch well-educated workforce. So this budget places a priority on education. We are partners in one of our most ambitious community initiatives ever – Every1 Reads, a public schools program which aims to have every student reading at grade level in 4 years.

My budget carves out a special role for our Louisville Free Public Library, with the 1st year of a 4-year investment in a new program called Reading Power.

Our library will take books into the community to preschoolers, their teachers and their parents to help lay the groundwork for reading readiness among the very young.

- My budget continues the library's book-and-materials funding at its current level – \$2 million.
- In addition, my budget invests \$100,000 of city funds to complete a \$1 million Library Foundation campaign to bring Louisville's libraries into the digital age.

Books on CDs music on CDs and educational films on DVD will be coming soon to libraries near you.

Investing in our libraries is a down payment on our vision for a Louisville where residents embrace life-long learning and go higher up the education ladder because it leads to new opportunities.

My proposed budget reflects another kind of digital initiative, too: Usually I come to you with a fat, bound proposed budget hundreds of pages. Then we print another big, fat, bound final budget a month later.

This year, we are providing the budget on a CD. We will also post all budget documents online at the city's website where anyone has easy access.

This digital initiative will save our taxpayers \$26,000 in printing costs and save a few trees, too!

Finally, with this budget, we continue to invest in dozens of other partnerships that improve quality of life that raise the bar on education that enrich the arts-and-cultural life of our hometown and that provide a safety net for those in need.

- Louisville's Olmsted Conservancy has been a tremendous partner in upgrading local parks with more than \$700,000 from private sources pledged this year for more than a dozen projects from Shelby Park to Cherokee, from Iroquois to Shawnee.
- And with this budget, we award \$6.1 million to more than 170 nonprofit partners throughout our city organizations and agencies throughout the community that applied for grants from local government.

These partners provide important services from the Coalition for the Homeless to our 15 community ministries, from the Urban League to the YMCA, from the Louisville Orchestra to the Juneteenth Legacy Theatre.

All these applications for grants were reviewed by committees and my budget follows each recommendation they made.

The bottom line for this budget is this: Limited resources don't mean limited vision.

This budget continues to build on the strong foundation we've laid over the past year and a half: to focus on key priorities from public safety to strong neighborhoods to make long-term investments that are necessary to assure our future and to make the most of partnerships all through our new city of Louisville.

When you add together our efforts in government across department lines our partnerships with outside agencies our collaboration with citizens you discover that the sum the impact of our Louisville Metro 2004-05 budget is far more than the simple math that governs our family checkbooks.

One plus 1 can equal 3 or 5 or much, much more.

And the result is a city that shines with pride a community we can all be proud to call home.